

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3028 - SB 2874

March 9, 2012

**SUMMARY OF BILL:** Redefines “severe child abuse” to include prenatal exposure to a prescription drug not lawfully prescribed to the mother or to an illegal drug used by the mother for a non-medical purpose, as evidenced by withdrawal symptoms in the child at birth, or the results of a toxicology test drug the child’s first year of life that medically indicate prenatal exposure to a prescription drug not lawfully prescribed or an illegal drug.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$1,190,900**  
**\$4,793,900/Incarceration\***

**Increase Federal Expenditures - \$753,700**

Assumptions:

- According to information on the March of Dimes website, four percent of pregnant women in the United States use illicit drugs. Each year there are 85,560 births in Tennessee. Approximately 3,422 pregnant women (85,560 births x 4%) in Tennessee use illicit drugs during her pregnancy.
- Estimate assumes three percent or 103 (3,422 x 3%) of these mothers will be charged with a Class D felony as a result of an infant testing positive at birth for an illegal drug.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will result in 12 additional offenders. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on 115 Class D felony admissions as a result of this bill.
- According to DOC, the average operating cost per offender per day for calendar year 2012 is \$61.36. The average post-conviction time served for a Class D felony is 1.86 years (679.37 days) at a cost of \$41,686.14 (\$61.36 x 679.37 days). The additional operating cost for 115 offenders is \$4,793,906.10 (\$41,686.14 x 115 offenders).
- According to the Department of Children’s Services, approximately 66.6 percent of the 103 mothers charged will be impacted. The result will be an additional 69 children, (103 x 0.666) entering into custody with an average length of stay of 219 days.
- According to DCS, the average cost per day is \$96 resulting in an increase in expenditures of \$1,450,656 (69 x 219 days x \$96).

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- Of the total increase of \$1,450,656, seven percent (\$101,545.92) will be Title IV-E federal funds; 49 percent (\$710,821.44) will be through TennCare; and 44 percent (\$638,288.64) will be state funds.
- Of the \$710,821 in TennCare funds, \$240,343 are state funds at a rate of 33.812 percent and \$470,478 are federal funds at a 66.188 percent match rate.
- It is estimated that DCS will need six additional case managers resulting in an increase in expenditures of \$362,718 which includes salaries (\$34,400), benefits (\$11,053), and communications, networking, travel, and supplies (\$15,000) for each position.
- It is estimated that DCS will need two additional team leaders resulting in an increase in expenditures of \$131,260 which includes salaries (\$38,900), benefits (\$11,730), and communications, networking, travel, and supplies (\$15,000) for each position.
- Of the total increase of \$493,978, seven percent (\$34,578) will be Title IV-E federal funds; 45 percent (\$222,290) will be through TennCare; and 48 percent (\$237,110) will be state funds.
- Of the \$222,290 in TennCare funds, \$75,161 are state funds at a rate of 33.812 percent and \$147,129 are federal funds at a 66.188 percent match rate.
- Total increase in state expenditures of \$1,190,903 (\$638,289 + \$240,343 + \$237,110 + \$75,161) and total increase in federal expenditures of \$753,731 (\$101,546 + \$470,478 + \$34,578 + \$147,129).

*\*Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/lsc